

**MTC / FTA SURVEY  
to Determine Agenda Topics for  
Statistical Sampling Seminar in Denver, CO on Oct. 15<sup>th</sup> through Oct. 18<sup>th</sup> 2006**

**Please return this survey by May 19, 2006 - Thank You!**

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**Approximate Number of Attendees:** \_\_\_\_\_

Note: this is for planning purposes only; you will not be held to this number.

**Agenda Survey for the Three-Day Statistical Sampling Workshop**

To provide all prospective attendees with a better idea of the types of topics being considered for discussion at the Three-Day Statistical Sampling Workshop, we have drafted a list of potential issues that may be covered on this "Agenda Survey" worksheet. To determine your interest in which topics you would most like to see addressed, please rate each topic from one to five (5 indicating the most interest, and 1 being the least appealing). If you would like to suggest additional topics, please indicate your recommendation on the last page of this worksheet in the space provided.

#	TOPIC	DESCRIPTION OF TOPIC	RATING	COMMENTS
1.	Streamlined Sales Tax Auditing of CSPs	Conducting one statistical sampling audit for each CSP seller		
2.	Sampling Fixed Assets and Project Expenses for Capital Projects	Sampling capitalized transactions when full or partial data download of records are obtained		
3.	Sampling for Refunds	Pros and cons of sampling tax paid to vendors		

#	TOPIC	DESCRIPTION OF TOPIC	RATING	COMMENTS
4.	Statistical Sample	A basic definition and minimum requirements to have a valid statistical sample.		
5.	Sample Sizes	Should a minimum sample size be set for Simple Random Samples and for Stratified? Considerations in calculating sample size and methods for calculating.		
6.	Variable versus Attribute Sampling	When each should be used and which one is most appropriate to determine sample sizes for Sales and Use Tax Audits.		
7.	Precision, Expected Error Rate and Confidence Levels	The effect of each on sample size calculation. Recommended levels that will produce reliable results without over or under sampling.		
8.	Minimum Errors	Should consideration be given to having a minimum number of errors before projecting results? If so, what is a recommended level for both simple and stratified samples?		
9.	Projection Levels	Lower Limit, Point Estimate and Upper Limit. Factors to consider when using either to project at.		
10.	Stratified Sampling	Determining strata breaks and the number needed to obtain satisfactory results.		
11.	Estimation Alternatives	Mean Difference, Ratio and Regression. A discussion of each type. The advantages and disadvantages of each and determining which is the most appropriate to use.		
12.	Missing Documentation	Suggested resolution of this issue for a sampled transaction		
13.	Negative and Credit Transactions	A discussion as to their effect on the sample and an overview of the various methods utilized by states in handling them. Leave them in the population, remove them from the population, use absolute value, or sample separately and any other methods used.		

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14.	Incomplete Records	When a segment of the population is missing. Should the results of the statistical sample be projected to that portion of the population that is missing?		
15.	Determination of the Top Range in a Stratified Sample	Is it more appropriate to use a dollar cut-off for determining which items to detail rather than by classification, i.e. expenses, assets?		
16.	Tax Overpayments	Possible alternative methods of handling this issue within a statistical sampling procedure.		
17.	Signed Agreements	A discussion on the benefits of using such a document to clarify the sampling procedure that was mutually agreed upon and if they are helpful when court challenges to sampling methodology occur.		
18.	Legal Challenges to Statistical Sampling	A discussion of court cases that have existed in various state or government agencies regarding sampling methodology.		
19.	Sales and Use Tax Compliance Agreements (SUTCA)	Should fixed assets be sampled when a SUTCA is being established for prospective reporting, and if so, should the top range be comprehensively reviewed for expenses and fixed assets? How to handle material changes.		
20.	Procurement Cards	Alternative methods of sampling this issue and the documentation required to determine if tax was properly paid.		
21.	Inventory Stores Withdrawals	Alternative methods of sampling this issue since the taxability determination are not usually made when the item is purchased but instead when it is withdrawn from inventory.		
22.	Cooperation and Communication	Why this is so critical within each step of the audit process.		

#	TOPIC	DESCRIPTION OF TOPIC	RATING	COMMENTS
23.	Auditing Journal Entries	Sampling charges that have been reclassified or reallocated to other accounts		
24.	Verifying Completeness of Electronic Records	Different approaches to determine if electronic records provided are complete and accurate		
25.	Probe Samples	Discuss scenarios wherein probe samples are appropriate		
26.	Correcting a Poorly Designed Target Population After the Pull List was Reviewed	If an auditor includes accounts that have no tax relevance in the target population, and does not discover this until the pull list items were already reviewed, what are the alternatives to correct this situation without destroying the statistical validity of the sample?		
27.	Defining a Sampling Frame	Explanation of why precision is detrimentally affected when the universe is not narrowed to only include items of interest that have taxable relevance.		
28.	Improving Precision	Explanation of the reason that the more taxable items in a sampling frame, the better the precision		
29.	Fragmenting Accounts	Is it preferable to include only the taxable transactions within accounts instead of the entire account when designing the sampling frame?		
30.	Selecting a Representative Sample	Techniques that can be utilized to verify if the sample is representative of the population from which it was drawn.		

**OTHER SUGGESTED TOPICS**

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